

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

ATTACHMENT A

DWE Secretariat

Berlin, 31 March 1948

Decree 5 9/48Subject: Termination of the Activity of the Sequestration Commissions

The Secretariat of the DWK issued the following decree on the cessation of sequestrations of property in the Soviet Occupation Zone:

By the will of the people and their parties and organizations, the enterprises of war and Nazi criminals were requisitioned by the states of the Soviet Occupation Zone and transferred to the people's possession. The expropriation of the property of war and Nazi criminals is a significant step towards assurance of peace.

After execution of these functions in the states and after closing the sequestration lists, the DWK asked SMA Germany to confirm the expropriations, according to the list presented by the Central German Commission for Sequestration and Requisitioning following the decrees of the governments of the states.

Since property conditions for former possessions of war and Nazi criminals have been clarified, the DWK, in the interest of furthering the democratic reconstruction of the economy, asked SMA Germany to confirm that the Sequestration Commissions formed under Order No. 124 have concluded their activity and are dissolved.

All sequestration proceedings under Order 124 concerning industrial property are terminated on 1 Apr 48 and all concerning non-industrial property on 15 April 1948.

The state governments are enjoined, on the basis of the directions of the DWK, to conclude by 15 July 1948 the entry in the Trade Register or Property Register of firms and other property transferred into the hands of the people.

The DWK calls the attention of all democratic personnel and administrative organs of the Soviet Occupation Zone to the significance of the firms and other assets transferred into the possession of the people. The securing and full utilization of these people's possessions is an essential task of all democratic personnel. The DWK and the state government assume the obligation of supplying the people-owned enterprises with suitable power to undertake the improvement of organization of these enterprises, to stabilize their financial structure, and to guarantee their productivity.

Chairman of the DWK
(signed) RAU

Head of the DWK
(signed) Erwin LAMPEKA

Certification of correctness of copy and correspondence with the original:
(signed) WOCHLAWIAK

Seal: Central German Commission for Sequestration and Requisitioning in the
Soviet Occupation Zone of Germany

~~SECRET CONTROL - US Officials Only~~

CONFIDENTIAL

CONFIDENTIAL
CENTRAL INTELLIGENCE AGENCY

25X1A

List A: Compilation by Kreis (total number of expropriated firms 2,064)

| Kreis | No | Kreis | No | Kreis | No |
|---------------|----|--------------------|-----|--------------|-----|
| Aschersleben | 22 | Haldensleben | 39 | Saalkreis | 47 |
| Ballenstedt | 37 | Halle | 154 | Salzwedel | 15 |
| Bernburg | 46 | Jerichow I | 34 | Sangerhausen | 34 |
| Bitterfeld | 75 | Jerichow II | 19 | Schönebeck | 21 |
| Blankenburg | 58 | Liebenwerda | 49 | Schweinitz | 26 |
| Burg | 24 | Magdeburg | 218 | Stendal | 79 |
| Calbe | 56 | Mansfeld-Seekreis | 21 | Torgau | 20 |
| Delitzsch | 57 | Mansfeld-Gebirgsk. | 33 | Wanzleben | 19 |
| Dessau | 59 | Merseburg | 34 | Weissenfels | 33 |
| Dessau-Köthen | 59 | Naumburg | 16 | Wernigerode | 98 |
| Eckartsberga | 22 | Oschersleben | 57 | Wittenberg | 136 |
| Eisleben | 4 | Osterburg | 19 | Wolmirstedt | 45 |
| Gardelegen | 50 | Quedlinburg | 42 | Zeitz | 64 |
| Halberstadt | 22 | Querfurt | 56 | Zerbst | 46 |

The correspondence of this list with that submitted to SMA Germany by the German Central Commission for Sequestration and Requisitioning through the DWK is hereby confirmed:

(signed) LANGE

Berlin, 30 March 1948: German Central Commission for Sequestration and Requisitioning in the Soviet Occupied Zone of Germany

In List A were included items ~~excluded~~ from List C under the expropriation decree of the Land Commission for Sequestration and Requisitioning:

| | |
|--|---------------------------------|
| Riebeck'sche Montanwerke, Werk Concordia | Nachterstedt, Kreis Quedlinburg |
| Zinkwerk Georg von Giesche's Erben | Magdeburg |
| Maschinenbau- und Armaturenfabrik Polte | Magdeburg |
| Metallbearbeitungswerk Oswald Kunsch, Stahlwerk | Silbitz, Kreis Zeitz |
| Anhaltinische Kohlenwerke AG | Profen, Kreis Zeitz |
| Deutsche Erdöl AG | Zipsendorf, Kreis Zeitz |
| Mansfelder Kupfergiesserei-Werke (Mansfeld AG | Hettstedt, Kreis-Mansfelder- |
| Abt. Kupfer- und Messingwerke) | Gebirgskreis |
| Gebr. Sachsenberg (Fahrzeug und Möbel) | Rossau, Kreis Zerbst |
| Arbeitsgemeinschaft Flugzeugbau Siebel | |
| Siemenswerkstätte der Lufthansa | Schkeuditz, Kreis Merseburg |
| Stahlgiesserei und Gusseisenwerke Bruno Müller | Frankleben, Kreis Merseburg |
| Kohlenveredlungs- und Schmelzwerke Gölßen | Dessau-Köthen |
| Taken from List A were foreign property: Gummiwerk Ballenstedt GmbH, Ballenstedt; | |
| Papierfabrik Muldenstein, Muldenstein, Kreis Bitterfeld; Braunkohlenwerke Leonhardt, | |
| Zipsendorf, Kreis Zeitz; Emil Köster AG, Magdeburg; Deutsche Solvaywerke AG, | |
| Rohbraunkohlenwerke, Bernburg. | |

Taken from List A, in spite of the restitution decree of the Land government:

Max Kresse & Co. Stahlbau, Wittenberg; Max Brandus GmbH, Magdeburg; Thaler Holzwerk, Thale/Harz; Wilhelm Wiegand KG Apparatebau, Merseburg; Dicker & Werneburg, Armaturenfabrik, Halle; Maschinenwerk Wilhelm Stell, Torgau; F. R. Dehne KG Maschinenfabrik, Halberstadt; Edwin Seidel, Metallwarenfabrik, Resberg.

From List A were removed the double entries:

Phönix KG Wunsch & Pretzsch, owner Epperlein & Grimme, Zeitz, also listed as
Charl. Kinder als Kommand. un. Schnittler (Schnittler share expropriated)
Aalbin Scholle KG, owner Marianne Scholle, Wolfgang Scholle, Erhard Scholle,
Zeitz, leather factory (Marianne Scholle's share expropriated).

(signed) LENGWINAT

Central German Commission for Sequestration and Requisitioning in the Soviet Occupation Zone of Germany

~~SECRET CONTROL~~ / US Officials Only

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

ATTACHMENT C

List of Properties in East Germany Classified as People-Owned

| No. | Name of Firm | Location | Employees |
|-----|--------------|----------|-----------|
|-----|--------------|----------|-----------|

Main Administration CoalZeitz Precinct

| | | |
|-----|---|-------------|
| 1. | Tagebau Emma | Luckenau |
| 2. | Groitzschen briquette factory | Kretzschau |
| 3. | Groitzschen carbonizing plant | Kretzschau |
| 4. | Tagebau Gustav Adolf | Lützen |
| 5. | Tagebau Leonhard-West | Zipsendorf |
| 6. | Leonhard briquette factories I, II, III | Zipsendorf |
| 7. | Tagebau Schaebe-Grube | Zipsendorf |
| 8. | Prehlitz briquette factory | Zipsendorf |
| 9. | Prehlitz power works | Zipsendorf |
| 10. | Tagebau Einheit | Grossgrünna |
| 11. | Tiefbau Paul | Luckenau |
| 12. | Theissen briquette factory | Theissen |
| 13. | Ellen briquette factory | Bornitz |
| 14. | Zeitz briquette factory | Zeitz |
| 15. | Baumburg briquette factory | Deuben |
| 16. | Theissen power works | Theissen |
| 17. | Paul briquette factory | Luckenau |

Merseburg Precinct

| | | |
|-----|---------------------------------|-------------|
| 1. | Tagebau Elisabeth | Mücheln |
| 2. | Elisabeth briquette factory | Mücheln |
| 3. | Elisabeth power works | Mücheln |
| 4. | Cecilie briquette factory | Lützkendorf |
| 5. | Cecilie power works | Lützkendorf |
| 6. | Training workshop | Lützkendorf |
| 7. | Tagebau Leonhardt | Neumark |
| 8. | Leonhardt briquette factory | Neumark |
| 9. | Leonhardt power works | Neumark |
| 10. | Tagebau Michel Vesta | Grosskayna |
| 11. | Michel briquette factory | Grosskayna |
| 12. | Vesta briquette factory | Grosskayna |
| 13. | Michel power plant | Grosskayna |
| 14. | Vesta power plant | Grosskayna |
| 15. | Tagebau Gute Hoffnung | Rosbach |
| 16. | Gute Hoffnung briquette factory | Rosbach |
| 17. | Gute Hoffnung power plant | Rosbach |
| 18. | Tagebau Beuna | Beuna |
| 19. | Beuna briquette factory | Beuna |
| 20. | Beuna power plant | Beuna |
| 21. | Tagebau Emma (closed) | Lützkendorf |
| 22. | Emma briquette factory (closed) | Lützkendorf |
| 23. | Tagebau Elise II | Mücheln |
| 24. | Elise II power plant | Mücheln |
| 25. | Tagebau Otto Tannenberg | Benndorf |

Halle Precinct

| | | |
|-----|-------------------------------------|-----------|
| 1. | Tiefbau Sophie | Bennstedt |
| 2. | Tagebau 90/496 | Döllnitz |
| 3. | Brick plant | Döllnitz |
| 4. | Plötz hard coal mine | Plötz |
| 5. | Plötz briquette factory | Plötz |
| 6. | Plötz power plant | Plötz |
| 7. | Tagebau Lohbau | Döllnitz |
| 8. | Tagebau von der Heydt | Ammendorf |
| 9. | Briquette factory von der Heydt | Ammendorf |
| 10. | Hermine Henriette briquette factory | Ammendorf |

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

-2-

Attachment 2 C

| | |
|--|----------------|
| 11. Bruckdorf briquette factory | Kanena |
| 12. Bruckdorf power plant | Kanena |
| 13. Bruckdorf brick plant | Bruckdorf |
| 14. Etzdorf brick plant | Stedten |
| 15. Tagebau Walters Hoffnung | Stedten |
| 16. Walters Hoffnung briquette factory | Stedten |
| 17. Walters Hoffnung power plant | Stedten |
| 18. Kupferhammer briquette factory | Unterröblingen |
| 19. Gredner briquette factory | Unterröblingen |
| 20. Tiefbau Amsdorf | Amsdorf |
| 21. Amsdorf power plant | Amsdorf |
| 22. Tiefbau Robert | Wansleben |
| 23. Amsdorf bitumen factory | Amsdorf |
| 24. Wansleben bitumen factory | Wansleben |

Magdeburg Precinct

| | |
|--|---------------|
| 1. Tiefbau Wolf | Galbe |
| 2. Tiefbau Johanne-Henriette | Unseburg |
| 3. Johanne-Henriette briquette factory | Unseburg |
| 4. Johanne-Henriette power plant | Unseburg |
| 5. Tiefbau Löderburg | Löderburg |
| 6. Frose waterworks | Frose |
| 7. Viktoria Tagebau | Hötensleben |
| 8. Bismark briquette factory | Völpke |
| 9. Jacobsgrube Tagebau (closed) | Pr. Börnecke |
| 10. Mountain wax factory | Völpke |
| 11. Georg Tagebau | Königsau |
| 12. Cäsar Tiefbau | Westeregeln |
| 13. Wilhelm Tiefbau | Osternienburg |
| 14. Wilhelm briquette factory | Osternienburg |

Liebenwerda Precinct

| | |
|----------------------------------|----------------|
| 1. Wilhelm Tagebau | Beuteritz |
| 2. Wilhelm briquette factory | Beuteritz |
| 3. Wilhelm power plant | Beuteritz |
| 4. Louise Tagebau | Domsdorf |
| 5. Louise briquette factory | Domsdorf |
| 6. Louise power plant | Domsdorf |
| 7. Agnes Tagebau | Plessa |
| 8. Agnes power plant | Plessa |
| 9. Koyne Tagebau | Lauchhammer |
| 10. Koyne briquette factory | Lauchhammer |
| 11. Koyne power plant | Lauchhammer |
| 12. Klein Leipisch Tagebau | Klein Leipisch |
| 13. Marie-Anne briquette factory | Bockwitz |
| 14. Marie-Anne power plant | Bockwitz |
| 15. Milly briquette factory | Bockwitz |
| 16. Milly power plant | Bockwitz |

Bitterfeld Precinct

| | |
|--------------------------------|-------------|
| 1. Leopold Tagebau | Holzweissig |
| 2. Leopold briquette factory | Holzweissig |
| 3. Leopold power plants (2) | Holzweissig |
| 4. Holzweissig brick works | Holzweissig |
| 5. Ludwig Tagebau | Papitzsch |
| 6. Petersroda brick plant | Petersroda |
| 7. Edderitz Tagebau | Edderitz |
| 8. Edderitz briquette factory | Edderitz |
| 9. Edderitz power plant | Edderitz |
| 10. Edderitz carbonizing plant | Edderitz |

SECRET - EYES ONLY - NO OFFICIALS ONLY

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

-3-

Attachment C

| | |
|---|-----------------|
| 11. Louisengrube Tagebau | Sandersdorf |
| 12. Louisengrube briquette factory | Sandersdorf |
| 13. Louisengrube brick works | Sandersdorf |
| 14. Bergwitz Tagebau | Bergwitz |
| 15. Bergwitz briquette factory (dismantled) | Bergwitz |
| 16. Bergwitz power plant | Bergwitz |
| 17. Golpa Tagebau | Gräfenhainichen |
| 18. Zachornewitz power plant | Zachornewitz |
| 19. Freiheit Tagebau | Petersroda |
| 20. Theodor Tagebau | Roitzsch |
| 21. Auguste briquette factory | Roitzsch |
| 22. Auguste power plant | Roitzsch |
| 23. Deutsche Grube briquette factory | Roitzsch |
| 24. Auguste/Deutsche Grube Tagebau | Ramsin |
| 25. Lutherslinde Tagebau | Muldenstein |

I. District Directorate NorthII. District Directorate West

| | | |
|--|--------------------|-------|
| 1. Prevag | Halle | 4,400 |
| Firm directorates Saalkreis, Bretleben, Bitterfeld, Dörenburg, Dessau, Falkenberg, Gardelegen, Klostermannsfeld, Börde, Quedlinburg, Salzwedel, Wegerlingen, Weissenfels/Zeitz | | |
| District Land high volt network | Dessau | |
| Bernburg electric works | Bernburg | |
| Calbe light and power plant | Calbe | |
| Goldrangen light and power plant | Goldrangen | |
| Electric supply | Ilfeld-Blankenburg | |
| Stassfurter light and power plant | Stassfurt | |
| Firm workshop | Halle-Büschdorf | |
| Firm workshop | Dessau-Waldersee | |
| Prevag Blankenburg | Blankenburg | |
| Gas supply | Anhalt-Dessau | |
| Gas and electric plant | Döben/Mulde | |
| Gas supply | Wisleben | |
| Gas supply | Bad Kösen | |
| Large gas plant Mitteldeutschland | Magdeburg | |
| Gas supply Magdeburg-Anhalt AG | Magdeburg | |
| Gas supply | Stassfurt | |
| Gas plant | Tangerhütte | |
| Gas plant | Weissenfels | |
| Gas plant | Wolfen | |
| Gas supply | Tangermünde | |
| 2. Power plant Leopold I and II | Bitterfeld | 170 |
| 3. Industrie-Werke Saxony-Anhalt | | |
| Gross Ottersleben | Wanzleben | 15 |
| Electric plant Salzwedel | Salzwedel | 66 |
| Wittenberg light and power plant | Wittenberg | 225 |
| Electric plant Aken | Aken | 11 |
| Belleben distribution | Mansfeld Seekreis | 2 |
| 4. Electric plant Coswig | Coswig | 44 |

III. District Directorate East

| | | |
|---|--------|-----|
| 1. Flessa power plant of the Gröba electric works | Flessa | 265 |
|---|--------|-----|

V. District Directorate Center

| | | |
|---|--|-------|
| 1. Electric plant installations under Prevag | | 33 |
| 2. Prevag | | 66 |
| 3. Coal directorate Halle-Merseburg, (large power plant Zachornewitz) | | 1,010 |
| 4. Mitteldeutsche power plant Prevag, Magdeburg-Rothensee | | 396 |
| 5. Prevag (BKB Helmstedt) | | 427 |

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

Attachment C

No. Name of Firm Location Employees

Main Administration MetallurgyI. Industry Combine Steel and Iron (Industrievereinigung)

| | | | |
|----|--------------------------|--------------|----|
| 1. | Mine am Büchenberg | Elbingerode | 36 |
| 2. | Braunesumpf mine | Braunesumpf | 80 |
| 3. | Oswald Kuntz, Silbitz | Zeitz | |
| 4. | Bruno Müller, Frankleben | Langerhausen | |

II. Industry Combine Copper and Zinc

| | | | |
|----|--|----------|-------|
| 3. | Mansfeld copper mining and foundry plant | Eisleben | 5,699 |
| 4. | Ilseburg copper plant | Ilseburg | 400 |

III. Industry Combine Aluminum

| | | | |
|----|------------------------------------|------------------|-----|
| 5. | Leipzig light metal plant Rackwitz | Rackwitz/Leipzig | 859 |
| 6. | Blanke Metal Plant GmbH | Merseburg | 283 |

IV. Industry Combine Fireproof Products

| | | | |
|-----|----------------------------------|------------|-----|
| 7. | Dommitzsch pottery works | Dommitzsch | 252 |
| 8. | Fire clay and stone ware factory | Coswig | 34 |
| 9. | Aken/Elbe chemical works | Aken/Elbe | 100 |
| 10. | Grödener pottery works | Gröden | 100 |

Main Administration ChemistryI. Industry Combine Inorganic Products

| | | | |
|-----|---|-----------------|---------|
| 11. | Stassfurt potash plant, Concordia chemicals | Stassfurt | 84 |
| 2. | Fertile, chemical works AG | Coswig | 510 |
| 3. | Same | Salzwedel | 63 |
| 4. | Tannenberg, leached clay plant | Calbe/Saale | 65 |
| 5. | Stassfurt soda factory | Stassfurt | 6657 |
| 6. | Ammendorf electro-chemical works | Ammendorf/Halle | 451 |
| 7. | Coswig chemical factory, formerly Hans Schraube | Coswig | 163 |
| 8. | Löderburg potash factory | Löderburg | 306 |
| 9. | Dessauer Works for sugar and chemical industry AG | Dessau | 73 |
| 10. | Strontion and potash factory | Dessau/Rossau | 218 259 |

II. Industry Combine Organic Products

| | | | |
|-----|---|-----------------|---------|
| 11. | Fahlberg-List AG | Magdeburg | 1,335 |
| 12. | Lignose explosive works GmbH | Schönebeck/Elbe | 1,300 |
| 13. | Fowling pieces and metal goods factory, formerly Sellier und Bellot | Schönebeck/Elbe | 270 290 |

III.

| | | | |
|-----|--|------------------|----------|
| 14. | Fluorspar works Fluor, formerly Rütger | Strassburg | 203 |
| 15. | Stassfurt potash plant | Stassfurt | 1,323 |
| 16. | Kleinschierstedt potash plant | Aschersleben | 284 |
| 17. | Aschersleben potash plant | Aschersleben | 404 |
| 18. | Solvayhall potash plant | Solvayhall | 1,420 |
| 19. | Krüggershall potash plant | Teutschenthal | 970 |
| 20. | Rossleben potash plant | Rossleben/Unstr. | 1,155 |
| 21. | Bartensleben rock salt mine | Bartensleben | 356 |
| 22. | Neustassfurt rock salt mine | Neustassfurt | 197 |
| 23. | Bernburg rock salt mine | Bernburg | 205 |
| 24. | Hallesche salt works | Angersdorf | 287 |
| 25. | Rottleberode fluorite works | Rottleberode | 197 |
| 26. | Elbingerode sulphur ore plant (Dreikronen und Ehart) | Elbingerode | 325 7326 |

CONFIDENTIAL

SECRET CONTROL / US Officials Only

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

Attachment U

Main Administration ChemistryIV. Industry Combine Coal-Chemistry, Liquid Fuel

| | | | | |
|-----|---|------------------|-----|-------|
| 27. | Bitumen factory (Riebeck'sche Montanwerke iA) | Ammendorf | 316 | |
| 28. | Mountain wax factory (Riebeck'sche Mont.) | Völpke | 170 | |
| 29. | Bitumen factory (Riebeck'sche Montanwerke) | Wanzleben | 166 | |
| 30. | Petroleum plant Lützenkendorf | Kruppa/Geiseltal | 61 | |
| 31. | Dessau chemical factory | Dessau | 50 | |
| 32. | Groitzschen carbonizing plant | Kretzschau/Zeitz | 228 | |
| 33. | Edderitz carbon plant | Edderitz | 108 | 1,099 |

V. Industry Combine Technical Gas and Carbide

| | | | | |
|-----|---|---------------|----|-----|
| 34. | Magdeburg acetylene works | Magdeburg | 14 | |
| 35. | Diemitz acetylene works | Diemitz/Halle | 23 | |
| 36. | Magdeburg oxygen plant of the company for Lindes ice machines. | Magdeburg | 67 | 104 |

VI. Industry Combine Synthetics and Synthetic Combine

| | | | | |
|-----|-----------------------------------|-----------------|----|----|
| 37. | Schönebeck artificial rosin plant | Schönebeck/Elbe | 60 | 60 |
|-----|-----------------------------------|-----------------|----|----|

VII. Industry Combine Paint and Varnish

| | | | | |
|-----|---|------------------|-----|-----|
| 38. | Hallack paint factory | Halle/Mätteleben | 30 | |
| 39. | Osterwieck paint factory | Osterwieck | 56 | |
| 40. | Rakra paint factory, form. Rassbach u. Kralle | Magdeburg | 60 | |
| 41. | Adler paint factory, form. Hermann Schwarz | Magdeburg | 44 | |
| 42. | Schollene chemical factory | Schollene | 78 | |
| 43. | C. H. Blume | Magdeburg | 112 | |
| 44. | Kleinefeld und Schröder | Magdeburg | 16 | |
| 45. | Murm und Beschke | Magdeburg | 36 | 432 |

VIII. Industry Combine Soap and Washing Powder, Cosmetics,
Textile and Leather Auxiliary Goods

| | | | | |
|-----|----------------------------|-------------|-------|-----|
| 46. | German hydrogenation plant | Rottleben | 1,320 | |
| 47. | Elbe chemistry | Wittenberg | 221 | |
| 48. | Persil-Werk (Henkel GmbH) | Genthin | 1,020 | |
| 49. | Stephan | Halle/Saale | 118 | 267 |

IX. Industry Combine Pharmaceutical Industry

| | | | | |
|-----|--------------------------------|-----------|-----|-----|
| 50. | Phawema (Fahlberg-List AG) | Magdeburg | 34 | |
| 51. | Asid-Serum-Institut | Dessau | 304 | |
| 52. | Oehmig-Weidlich und Zitz-Werke | Zeitz | 32 | 380 |

X. Industry Combine Chemical Technical Products

| | | | | |
|-----|--|-------------|-----|-----|
| 53. | Chemical plant and adhesive factory | Tangermünde | 84 | |
| 54. | Gelatin factory Calbe | Calbe | 172 | |
| 55. | Chemical works, formerly Sidol | Wittenberg | 241 | |
| 56. | Chemical works, Schönebeck, form. Hermania | Schönebeck | 140 | |
| 57. | Gervos, company for production and storage | Ammendorf | 78 | 715 |

| | | | | |
|-----------------|--|--|--------|--|
| Total employees | | | 18,280 | |
|-----------------|--|--|--------|--|

Main Administration Machine Construction and ElectrotechnicsI. Industry Combine Machine Tools and Tools

| | | | | |
|----|----------------------|--------------|-----|--|
| 1. | Billeter und Klunz | Aschersleben | 527 | |
| 2. | Franz Braun | Zerbst | 78 | |
| 3. | Mechanical workshops | Weissenfels | 258 | |
| 4. | Tool factory | Wernigerode | 36 | |
| 5. | C. W. Gehring | Naumburg | 127 | |
| 6. | Electric smelting | Zschornowitz | 829 | |

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

Attachment C

II. Industry Combine Power and Power Machines

| | | | |
|-----|------------------------|--------------|-------|
| 7. | Kleinschanzlin Odessee | Oschersleben | 99 |
| 8. | Elbe-Werke | Rosslau | 156 |
| 9. | Pipeline construction | Bitterfeld | 1,167 |
| 10. | Weise und Söhne | Halle | 521 |

III. Industry Combine Lifting Devices, Conveyors, Mining and Foundry Equipment

| | | | |
|-----|---|--------------|-----|
| 11. | Bamag 1-2 | Dessau | 400 |
| 12. | Bamag 3-4 | Dessau | 748 |
| 13. | Foundry and model construction | Wernigerode | 160 |
| 14. | Prinzler und Söhne | Halle | 100 |
| 15. | Hugo Junkers | Dessau | 738 |
| 16. | Central German Works for Steel Construction | Artern | 450 |
| 17. | Karl Hensel | Köthen | 201 |
| 18. | Emil Nieger | Magdeburg | 30 |
| 19. | Wetzel | Aschersleben | 120 |
| 20. | Georg Becker | Magdeburg | 228 |

IV. Industry Combine Agricultural, Construction, Woodworking Machines

| | | | |
|-----|--|-------------------|-----|
| 21. | Duz-Mechanik | Nietleben/Halle | 230 |
| 22. | Gatersleben | Hauke-Gatersleben | 100 |
| 23. | Griesemann & Sohn | Magdeburg | 70 |
| 24. | Berger & Co., building machine factory | Magdeburg | 70 |
| 25. | Franz Kurt | Köthen | 80 |
| 26. | MTW-machine tool factory | Magdeburg | 220 |

Industry Combine Food and Staple Goods Machines

| | | | |
|-----|--|-----------------|-------|
| 1. | Wetzig | Wittenberg | 580 |
| 2. | Eberhard | Halle-Diemitz | 170 |
| 3. | Bakery machines, formerly Genemfa | Halle-Ammendorf | 260 |
| 4. | Industriewerk, formerly Stavenhagen | Halle | 130 |
| 5. | Sauerbrey | Stassfurt | 570 |
| 6. | Behne | Halle | 280 |
| 7. | Gellendin und Haffner | Bernburg | 70 |
| 8. | Machine factory, formerly Nemetz | Köthen | 120 |
| 9. | Gustav Kamprath | Halle | 35 |
| 10. | Köhlmann und Falker | Bernburg | ? |
| 11. | Hallesche machine factory, formerly Wegelin und Hübner | Halle | 1,520 |
| 12. | Wilhelm Wiegand KG, chemical apparatus const | Merseburg | 145 |

Industry Combine Textile, Light, Sewing Machines

| | | | |
|-----|---------|---------|-----|
| 13. | Wilfeld | Gröbzig | 177 |
|-----|---------|---------|-----|

Industry Combine Paper Processing and Polygraphic Machines

| | | | |
|-----|---------------|-----------|-----|
| 14. | August Böhmer | Magdeburg | 100 |
|-----|---------------|-----------|-----|

Vehicle ConstructionI. Industry Combine Vehicle Construction (without Railroads)

| | | | |
|----|-------------------------------------|-------------|-----|
| 1. | Vehicle construction, formerly Famo | Schönebeck | 110 |
| 2. | Centrifugal foundry | Blankenburg | 120 |
| 3. | RVM | Halle | 380 |
| 4. | Brake und Co. | Osterwitz | 70 |
| 5. | Elsterwerdaer bicycle factory | Elsterwerda | 80 |
| 6. | Metal industry | Schönebeck | 240 |

SECURITY CONTROL / US Officials Only

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

-7-

Attachment C

II. Industry Combine Railroad Transport Vehicles

| | | | |
|----|---------------------|------------|-----|
| 7. | Dewentor | Stassfurt | 193 |
| 8. | Naterp und Eberhard | Hohenthurm | 335 |

III. Industry Combine Ship Building and Repair

| | | | |
|-----|------------|-----------|-----|
| 9. | Dockyard | Rosslau | 400 |
| 10. | City docks | Magdeburg | 235 |

ElectrotechnicsI. Industry Combine Electric Machines

| | | | |
|----|----------------------------------|-------------|-----|
| 1. | Electric motor plant Wernigerode | Wernigerode | 460 |
|----|----------------------------------|-------------|-----|

II. Industry Combine Radio and Communications

| | | | |
|----|--|-------------|-----|
| 2. | Stassfurter Rundfunk GmbH | Stassfurt | 300 |
| 3. | Telephone and telegraph plant (branch of Telefunken) | Blankenburg | 40 |

III. Industry Combine Electric Apparatus

| | | | |
|----|--------------------------|--------|-----|
| 4. | Lettin porcelain factory | Lettin | 233 |
|----|--------------------------|--------|-----|

Precision Mechanics and OpticsIndustry Combine Precision Mechanics and Optics 1

| | | | |
|----|---------------------|-----------------|-----|
| 1. | R. Heiss | Bad Liebenwerda | 345 |
| 2. | Nitsche und Günther | Osterburg | |

Industry Combine Precision Mechanics and Optics 2

| | | | |
|----|--------------|--------|-----|
| 3. | Hugo Junkers | Dessau | 300 |
|----|--------------|--------|-----|

V. Industry Combine Iron, Sheetiron, Metal GoodsA. Industry Combine Sanitary Technical Armatures

| | | | |
|----|---|-------------|-------|
| 1. | Magdeburger armature and metal works | Magdeburg | 1,077 |
| 2. | Louis Strube machine and armature factory | Magdeburg | 649 |
| 3. | Bernburg und Co. | Halle | 100 |
| 4. | Loges metal goods factory | Quedlinburg | 114 |
| 5. | Junkers und Co. | Dessau | 605 |
| 6. | National Radiator | Schönebeck | 333 |
| 7. | Mining | Blankenburg | 450 |
| 8. | Hallesche pipe mill | Halle | 306 |

B. Industry Combine Profile Turned Pieces and Wire Products

| | | | |
|-----|--|-------------|-----|
| 9. | Elsterwerdaer screw factory, Karl Winter | Elsterwerda | 136 |
| 10. | Rex-Werke | Magdeburg | 162 |
| 11. | Last und Opitz | Dödenorf | 80 |
| 12. | Gräpel | Halberstadt | 160 |
| 13. | Heerbrandt-Werke | Raguhn | 268 |
| 14. | Scharfenburg und Teuerbert metal goods factory | Breitungen | 459 |

C. Industry Combine Metal Goods

| | | | |
|-----|---------------------------------|-------------|-----|
| 15. | Sohler-Werke | Stassfurt | 143 |
| 16. | Union metal goods factory | Quedlinburg | 540 |
| 17. | Mansfeld AG metal goods factory | Rothenburg | 243 |

~~SECRET-CONTROL~~ / US Officials Only

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

-8-

Attachment C

VI. Industry Combine Foundries

| | | |
|---------------------------------------|--------------|-----|
| 18. Ortrander iron foundry | Ortrander | 118 |
| 19. Dewenter Werke | Sandersleben | 144 |
| 20. Joli iron works | Wittenberg | 109 |
| 21. Wood and metal model construction | Dessau | 136 |
| 22. Harzer die casting plant | Harzgerode | 63 |
| 23. Mitteldutsche flange factory | Debitz | 264 |

Main Administration Light IndustryT II Industry Combine Ready-Made Clothes (Textiles)

| | | |
|--|----------------|-----|
| 1. Assmann clothing works | Halle | 763 |
| 2. Hallenser clothing workshops, formerly Kurt Renne | Halle | 139 |
| 3. Burger clothing plant, formerly Karstadt | Burg/Magdeburg | 262 |
| 4. Clothing works | Osterwieck | 103 |
| 5. Hallesche flag factory | Halle | 34 |
| 6. Mückenberger clothing workshops | Mückenberg | 24 |
| 7 | | |

L I Industry Combine Leather Factories

| | | |
|-------------------------|-------------|-----|
| 1. Heim Leather factory | Wolmirstedt | 137 |
|-------------------------|-------------|-----|

L III Industry Combine Leather Processing

| | | |
|--------------------------|-------------|-----|
| 2. Tack shoe factory | Burg | 132 |
| 3. Guillard shoe factory | Burg | 228 |
| 4. A. Voigt | Burg | 227 |
| 5. Oswald Wenzel | Weissenfels | 527 |
| 6. Rud. Wolf | Weissenfels | 375 |
| 7. Ernst Bickel | Weissenfels | 356 |
| 8. Emil Blasig | Weissenfels | 461 |
| 9. O. Blechschmidt | Weissenfels | 75 |
| 10. A. Scholle | Zeitz | 252 |

WoodIndustry Combine H 2. Leipzig Wood Working

| | | |
|----------------------------|----------------|-----|
| 1. R. Kohl und Co. | Dessau-Rosslau | 39 |
| 2. Saw mill | Söllichau | 135 |
| 3. Wood working plant | Tangerhütte | 150 |
| 4. Rutz wood industry | Haldensleben | 146 |
| 5. Fass-Fabrik | Osterwieck | 70 |
| 6. Südharzer-Fassfabrik | Ilfeld | 62 |
| 7. Magdeburger box factory | Magdeburg | 45 |
| 8. Marzer saw mill | Wernigerode | 60 |
| 9. Brecht Brothers | Wernigerode | 61 |
| 10. Wood working plant | Rogätz | 75 |

Industry Combine H 4. Halle Wood Working

| | | |
|----------------------------|----------------|-----|
| 11. Schäfer und Kirch | Schkeuditz | 62 |
| 12. Wood working plant | Burg/Magdeburg | 117 |
| 13. Wood working plant | Rosslau | 47 |
| 14. Börde building firm | Magdeburg | 506 |
| 15. Vertriebs GmbH | Güsten | 152 |
| 16. Wood construction GmbH | Güsten | |

~~Source: [redacted] - Officials Only~~

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

-9-

Attachment C

| | | | |
|-----|--|-----------|-----|
| 17. | Wood construction Saxony-Anhalt GmbH main firm for standardized wooden houses | Magdeburg | 36 |
| 18. | Germania | Zeitz | 121 |
| 19. | Naether | Zeitz | 148 |
| 20. | Opel und Kühne | Zeitz | 173 |
| 21. | PEMATEX KG | Zeitz | 231 |
| 22. | Thuringia | Zeitz | 25 |
| 23. | German match factory | Coswig | 295 |
| 24. | Furniture factory (formerly Mundlos) | Magdeburg | 105 |

Industry Combine P 1. Cellulose Factories

| | | | |
|-----|-----------------------------|-----------|-----|
| 25. | Cellulose and paper factory | Merseburg | 474 |
|-----|-----------------------------|-----------|-----|

Industry Combine P 2. Paper Factories

| | | | |
|-----|------------------------------|-------------|-----|
| 26. | Paper factory | Rodersdorf | 44 |
| 27. | Paper and wall board factory | Coswig | 225 |
| 28. | Raw cardboard factory | Zwintschöna | 95 |

Industry Combine Rubber and Asbestos

| | | | |
|-----|---|------------|-----|
| 29. | Saxony-Anhalt Industry Works, Wilop rubber plant | Schönebeck | 442 |
| 30. | Saxony-Anhalt Industry Works, rubber goods and regeneration plant. | Zipsendorf | 133 |

~~CONFIDENTIAL~~ / Official Use Only

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

Berlin, 23 April 1948

Directive No. 1
of the German Economic Commission on Order No. 64

1. The archival material on cases of sequestration and requisitioning investigated by the local, county, and Land commissions is to be given to the Minister of Interior of the Land and kept by him. Copies of the decrees of the Land Commissions and the Land governments on expropriation proceedings are to be taken charge of by the Committee for Protection of People's Property in the DMK.
2. The expropriation affects, in expropriations of economic enterprises, not only balanced property but primarily also property serving for industrial purposes, including all rights and interests, as far as the decrees of the Land Commissions do not expressly order otherwise.

If in an enterprise with several working establishments only part of the working establishments are expropriated, the expropriation also applies to all other parts of the enterprises which are in economic connection with these.

3. Liabilities which existed before 8 May 1945 will not be taken over by the legal representatives (Rechtsträger) of people-owned enterprises.

Bank liabilities which were incurred after 8 May 1945 in the new credit institutions of the Soviet Occupation Zone are to be assumed by the people-owned enterprises. For these the competent legal representative of the people-owned enterprise to which they originally belonged is responsible.

Liabilities incurred after 8 May 1945 will be assumed by the legal holder of the people-owned enterprises, so far as they were incurred in normal business traffic.

Basic agreements (for example, right of way and water rights) hold good, as far as they correspond with public interests and economic necessities. In cases of doubt, the Minister of Economy decides.

Retroactive claims for the period of sequestration cannot be legally made on the administrative service offices.

4. After the termination of sequestration ordered in Order No. 64, legal measures are no longer valid against expropriations, nor are other measures for reconsideration of sequestration proceedings.
5. The competent property registration offices have to eliminate the former owner within 5 days, at the request of the Land governments, and to enter in Column 2 "Property of the People." The lower courts competent for the handling of the Trade Register, on the recommendation of the Land governments, have to undertake the removals of the previously entered enterprises within 5 days.

Special directions will be given for further entries in the Property and Trade Registers.

The declarations of the Land governments necessary for alterations in the Registers of Trade and Property are to be handed to the local courts by, at latest, 15 May 1948.

6. A document affirming the expropriation is to be delivered by the Land governments to firms expropriated and included in the confirmed list. In cases in which the expropriation was not confirmed, the sequestration is to be annulled by the Land government by 30 April 1948.

These statements of the Land governments are made according to the uniform instruction issued by the DMK.

7. The execution of these directives is to be controlled by the Committee for Protection of the People's Property.

~~SECRET - CONFIDENT~~ / US Officials Only

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

-2-

Attachment D

Directive No. 2 of the DWK on Order No. 64 (Directive for Evaluation of Business Property)

1. The people-owned enterprises are to be transferred for attainment of a suitable administration first to the combines of people-owned enterprises; as additional legal owners cities, counties, communities, cooperatives, and the VdgB may be named. Small firms can be sold or leased, in exceptional cases, to persons guaranteed democratic.
2. Enterprises of special economic significance are in principle to be transferred to the Combines of People-Owned Firms. As enterprises of this type are considered:
 - a. Production and other enterprises whose marketing territories, because of their capacity, exceed city or county scope; further enterprises of the same type with capacity which is now lowered, but is restorable.
 - b. Enterprises of raw and basic material production, firms for exploitation of mineral wealth.
 - c. Enterprises important for export.
 - d. Enterprises which are suitable for merging.
 - e. Enterprises which are of special economic significance because of their type of production.
3. Expropriated industrial production enterprises and commercial enterprises which were expropriated through the land reform or under Order No. 201, or will still be expropriated, likewise fall under the provisions of this order.
4. Independent agricultural firms which were included as part of the operational property of expropriated enterprises are to be submitted for division to the land commissions. Industrial enterprises which are included as part of the operational property of expropriated enterprises and do not represent production units will be treated according to the provisions for utilization of non-operational items of property.
5. Expropriated share rights in enterprises of the type described under No. 2 and other expropriated rights towards such enterprises are transferred to the organizations of people-owned enterprises, even if they were expropriated as rights of an enterprise which does not fall into this classification. The same applies for patents and trade marks.
6. For every enterprise which becomes people's property, a definite description of the property included in the expropriation is to be supplied to the DWK through the Minister of Interior, according to directions of the Committee for Protection of People's Property.
7. Transfers to public legal representatives, VdgB, and cooperatives are exempt from dues, charges, and taxes.
8. Until final realization, the operational items transferred to the people's possession are to be administered by the persons previously entrusted with administration as trustees, under the direction of the offices for people-owned firms in the Land governments.
9. For realization of operational properties not transferred to zonal administration, the Land governments have by 15 May 1948 to submit proposals for realization to the DWK, through the Committee for Protection of People's Property.
10. Supervision of execution of these directives is maintained through the Committee for Protection of People's Property in the DWK.

SECRET-CONTROL / US Officials Only

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

Attachment EOfficial Minutes of a Conference with Minister Selbmann. 14 May 1948

Minister Selbmann invited to a conference one representative of each of the Main Administrations of the People-Owned Firms of the states of the Russian Zone, and the heads of the offices of the office of people-owned firms of the states. Persons present were Minister Dieker, Ministerialdirektor Dr. Brundert, Dr. Poprawe, Mewes, Hansen, Beyer, and others. The meeting occurred in the DWK Industry Section. Minister Selbmann discussed the following points:

1. List A

List A is confirmed by OSMA and presented to the Land governments. In regard to suggestions of the states, slight alterations were made in the list, based on SMA measures. There were some firms omitted and put into List B, and others also were included which had not been previously mentioned as expropriated.

The Main Administrations or the officers of the people-owned firms or any other offices entrusted with the administration of firms have now no more right to discuss the legality of decisions which have been made.

Changes in the list could be made only on order of Marshal Sokolovsky. Applicants are referred to him.

Firms in List C, which have not yet been transferred into the possession of the Land, will probably be released by SMA in a reasonable time and will be declared people-owned firms.

2. Order 64 and Provisions for Execution

Expropriations which were carried out in a Land include expropriation of the same plants as far as they are located in other states of the Russian Zone. In cases of doubt, the offices of the states are to apply to the Committee for Protection of People's Property, in the DWK. This regulation also applies if only the branch institution is expropriated. Every expropriation applies only to the state in which the property is.

All firms units of AEG and the Siemens-Halske and Siemens-Schuckert Concern are in every case considered expropriated. The offices have particularly to attend to new foundations of these firms. A corresponding ordinance on hindering of industry will be issued by DWK in the next few days. New foundations of this type have already occurred but are considered as expropriated. In this connection the Register of Commerce and the Chambers of Commerce and Industry are to be especially observed.

The date of sequestration (especially in establishment of the extent of the expropriated property) is considered in principle 8 May 1945.

3. Combines of People-Owned Firms

Through changes in the confirmed List A, there are some unimportant changes in the lists of the combines furnished to the states. These will be published as quickly as possible. The process of forming the zonal combines is still not concluded. Firm claims can still be placed by the states in the zonal combines. Returns to the state, however, are in principle not considered.

In case the states still want to give firms to the zonal combines, suggestions in the form of a list are to be supplied by DWK. In this the economic significance of the firm and the size of its crew are especially to be brought out. ~~Selbmann~~ stated that Saxony-Anhalt in particular has presented a whole series of such proposals.

4. Foreign Property and Foreign Shares

As far as firms of this type are included in the zonal combines, they will remain there. The combines in these cases are considered trustees. The firms remain independent and are to show balances separately. Foreign indebtedness and foreign capital in people-owned firms (share firms) are in each case to be shown in the balance according to order.

~~SECRET - CONTROL~~ / US Officials Only

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

-2-

Attachment E

10 firms are considered expropriated firms.

The removal of these firms from List A does not alter their connection with the zonal combines.

5. Partial Expropriation

In every case only that is considered expropriated which is given in List A. The idea that in partial expropriation the firm is regarded as completely expropriated and is to pay commutation to the non-expropriated owners is incorrect. The resolution based on List A is decisive.

As far as partly expropriated firms are included in the zonal combines, they will continue there. The firms remain independent, however, are considered only as sharing firms, and finance themselves.

6. Realization Proposals of the States

The states are invited on the basis of their A Lists to present realization proposals to DWK by 15 May 1948. The terminal date cannot be extended. Proposals are therefore to be forwarded as quickly as possible.

For utilization for zonal combines, proposals are to be brought by the states from the lists already presented. For the group Stones and Earths, a further zonal association will be formed. The firms belonging to this will be notified. Food, tobacco, and construction industry remain at state level.

~~Indispensable~~ as possible, as many of the remaining firms as feasible are to be turned over to cities and counties. Exceptions to this are all firms which may later acquire some zonal significance. This includes, among others, large construction firms (bridge-building institutions, etc.), and engineer offices. Release to consumer cooperatives may occur. Manufacturing firms, however, are included only if they are directly necessary to the distribution setup. Not included are, for example, large breweries, chocolate factories, etc. These remain in the Land. Transfer to cooperatives applies only to purely consumer cooperatives.

7. Sale to Private Interests

Legal sales which are already made remain in force; they are to be sanctioned by DWK. In future when a sale is excluded, a lease is possible. In all transfers, especially in exchange of shares, etc., a decision must be asked of the Committee for the Protection of People's Property. No firms are to be turned over to VdgB. Transfers already implemented in the past are to be confirmed retroactively by DWK. All proposals of the states for utilization of people-owned firms are implemented only if they have been confirmed by DWK.

8. Information

Every expropriated person must receive immediate notification of the execution of the expropriation. Form sheets are available to the states. The dropping of sequestrations (firms on List B) is to be announced by letter. These communications are also made if records had been previously given out. Documents must be served on the person concerned, in companies to the business manager of the executive committee. They are not to be served outside the zone. In these cases, public announcement is made by poster in the local courts.

9. Organization of People-Owned Firms

The headquarters of zonal combines are determined and approved by SMA Germany. The responsible heads of the combines are likewise, in essentials, appointed and confirmed. All directors are first subject to a trial period. The combines must be ready to work on 15 June 1948. The beginning of activity of the combines is set for 1 July 1948.

SECRET-CONTROL / US Officials Only

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

-3-

Attachment E

A list of all combines and the firms included in them is kept only in Minister ~~SILBMAN~~'s safes. The states keep only communications on the condition of the people-owned firms in their own state. Firms have to carry out business transactions on 30 June 1948 and establish their opening balance on 1 July 1948. Directions for these balances are issued. The supplying of all firms with raw materials, etc., must be assured in each case. For the former, distributors remain responsible.

The constitution of combines in the states is to occur only after confirmation of the proposed list by DWK. Terminal date here is also 1 July 1948. Organization form within the state is given in the directive accompanying Order 76.

10. Dissolution of the Main Administrations

The main administrations (chief directorates) are to be discontinued and dissolved. The work is to be carried out by 30 June 1948. In cases of necessity a main administration (HV) is to be formed in the Land. The dissolution is based on the decree of the secretariat of DWK S/32/48 of 5 May 1948. The decree, including a first notice, was presented to the Main Administrations (Dr. Fritze for Saxony-Anhalt) by hand on 14 May 1948.

11. Office for People-Owned Firms

Through the dissolution of the chief directorates, the offices for people-owned firms in the states receive higher significance. Their field of function in future consists essentially of:

- a. Formation and supervision of the combines of people-owned firms at Land level.
- b. Taking over of the essential part of the work of the former chief directorates with respect to administration and commerce. (Care and control of production and materials of the Land firms is handled by the competent special division of the ministries.) The offices have to supervise the combines especially with respect to property rights, profitability, and personnel.
- c. The offices are at the same time control bodies for all firms of the zonal combines, as far as they are located in the Land. For this reason, the closest cooperation with the directorates of the combines and with the Special Administrations of the DWK is necessary.

12. Committee for the Protection of People's Property

The Committee for the Protection of the People's Property in the Zone is formed by DWK. Chairman is Dr. Lange, the former head of the Central Administration for Sequestration and Requisitioning. The states are ordered to form Land Committees for the Protection of People's Property, which are directly subordinate to the minister president. The essential functions of these committees are:

- a. Establishment of a correct summary of items of the entire people's property in the Land.
- b. Survey of the movement of the people's property. People's property in this sense includes not only expropriated firms, but everything in public use (schools, hospitals, museums, libraries, state domains, other estates, forests, public institutions, etc.).

13. Illustrations for Directives 1 and 2

The directives on the entry of people-owned firms in the property and trade registers are binding. The minister presidents of the states are to give instructions to this effect to the justice officials. In order to avoid legal difficulties from previous periods, the court authorities are to petition ~~(beantragen)~~ in the directives this word is used in contrast to ~~(beantragen)~~ propose). In the Property Register, only the part is to be removed which states conditions of ownership, so far as this does not indicate that foreign interests are represented. Further instructions and interpretations follow.

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

Attachment E

14. Legal Representatives (Rechtsvertreter)

The concept of legal representatives, which appears very often in Order 76 and its attachments, has solved doubtful questions in many circles. Selbmann himself made several basic statements on this topic. This is to be assumed: The concept "People's property" is newly formed; it has nothing to do with state property. The most important difference is the inalienability of the people's property. Zone, Land, or community is not the owner, but only the legal representative. The owner in every case is the people. This property concept has been removed from the sphere of bourgeois law; it is a concept of public law. In place of the owner is the legal representative, who has all rights of the possessor.

Transfers from one legal representative to another can be made. The firms now to be transferred to the communities remain the property of the people. Cities and counties are likewise only legal representatives. Even in transfers to cooperatives, these appear only as legal representatives. The firms are not owned and can therefore be taken back at any time. All transactions for people's property are to be carried out by the competent legal representative. The zonal administration and the Land governments commission the combines or firm directorates with guaranteeing the rights of the legal representative.

15. Auditing (Revisionswesen)

Private auditors and auditing companies are no longer to be employed in people-owned firms. By a decree of the Secretariat of DWK, a trust company for the zone will be formed as a corporation of public right, with headquarters in Dresden. Independent branch institutions will be established in Halle or Naumburg and in Potsdam. The auditing groups attached to the Land governments or the Main Administrations (chief directorates) are to be taken over. Terminal date for this is 1 July 1948. All firms which are people's property, as well as commercial firms, banks, insurance companies, traffic companies, etc., are subject to auditing, whether they are zonal or administered by the Land or a community. Definition of the extent of auditing obligations are to be worked out at the time. These trustee companies are in effect the court of accounts for people-owned property.

A working circle is to be formed for working out of a statute for the auditing companies; this is made up of Dr. Kallmeyer, Dresden, Forstbach, and Lengwinat, Berlin.

Halle/Saale, 15 May 1948

signed COLLIN

~~SECRET-CONTROL~~ / US Officials Only

CONFIDENTIAL

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

-3-

Attachment B

Attachment to the Official Minutes of 15 May 1948

Secretariat of the DWK

Berlin, 5 May 1948

Decree S 32/48

Subject: Ordinance for Execution of the New Organization of People-Owned Firms

In order to insure an orderly execution of the new organization of people-owned firms and to guarantee technically, productively, and financially the coordination of the people-owned firms now administered by the states, the Secretariat of the DWK at its session of 5 May 1948 decreed:

The Main Administrations existing in the states for people-owned firms, in regard to their entire activity until the final winding up of business and at the conclusion of the new organization of the people-owned firms, are placed directly under the Secretariat of DWK. This subordination has the effect that the instructions of the Secretariat of DWK are binding on the entire activity of the Main Administrations. This applies especially to the measures for financial reconstruction of the former organization of people-owned firms in the states, as far as the firms from these combines are transferred to zonal administration, and also to the utilization of special material and the organizational basis of the apparatus in the Main Administrations. The observation of provisions of the instruction to the Main Administrations of People-Owned Firms in the states is to be turned over to the member of DWK-Industry responsible for the direction of the Main Division of Industry.

signed LAMPKA

(LS) Certified copy, 14 May 1948
issued for posting

Certified
signed Signature

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

Attachment F

DWK Secretariat

Berlin, 5 May 1948

Decree S 26/48Subject: Introduction of an Auditing and Trust Administration for the Russian Zone

For rearrangement of auditing and trust matters and of economic auditing in people's firms, an auditing and trust administration is founded for the Soviet Occupation Zone. The auditing and trust administration is established with the character of an institution of public right.

The functions of the auditing and trust administration are to include:

1. Execution of the necessary balance and balance regulations, in all people-owned firms, according to the balance regulations, in all people-owned firms, according to the
2. Transfer of amounts for economic auditing enterprises ...
3. Execution of obligatory auditing in economic enterprises, as far as this is ordered by a public administrative office

DWK Secretariat

Berlin, 5 May 1948

Decree SSubject: Functions of the Committee for the Protection of the People's Property

The Secretariat of the DWK in its session of 1948 decreed:

The functions of the Committee for the Protection of the People's Property include the execution of administrative control over the people's property in all administrative branches and at all administrative levels, that is, of people's property as far as it is under the administration of the DWK, the states, counties, and communities or other public administrative offices charged with the administration of people's property.

For this purpose the establishment of an administrative service is also necessary in the states of the Soviet Occupation Zone, and the establishment of this administrative service is enjoined upon the states ...

The Committee for the Protection of the People's Property is subordinate in the DWK directly to the chairman of DWK and directly to the minister president or the minister empowered to represent the government ...

LAMPKA

SECRET CONTROL / US Officials Only

CONFIDENTIAL

25X1A

CENTRAL INTELLIGENCE AGENCY

Attachment G

DWK Secretariat

Berlin, 12 May 1948

Decree S 33/48Subject: Regulation on the Financial Management of People-Owned Firms, D 2854

I. Establishment of Initial Balance

1. All firms which were transferred to the possession of the people have to set up an initial balance on 1 July 1948. In the establishment of the initial balance the firms have to observe the following provisions:
 - a.
 - c. Credit obligations which were in effect for the firm on 9 May 1945 towards banks, firms, and individuals, towards the former Reich and the present state, foreign banks, firms and individuals will not be assumed in the balance of the firm ...
 - d. Credit obligations of the firm which were contracted after 9 May 1945 up to the transfer of the firm to the possession of the people will be included in the balance of the firm, if they are connected with ordinary production and trade activities.
 - e. Debtor obligations which were in effect on 9 May 1945 will be incorporated in the balance of the firm and are subject to collection.

Claims of firms from war damage and on the basis of blocked accounts in credit institutions according to the situation of 9 May 1945 are not included in the balance. They will be separately audited by the firm direction.

II. Distribution of Special Capital to the Firms

2. Special capital is to be distributed to each firm. The distribution of special capital to the firms corresponds in amount to:
 - a. the value of the business property, deducting planned amortization.
 - b. From 60 to 85 percent of the value of the average goods and material inventory (raw materials, fuel, half-finished matter, products in process, finished goods) ...
 - c. Funds equivalent to a 15-day operational requirement.

III. Amortization (Attrition) of the Business Property

IV. Main Repairs

V. Prime Cost Planning

VI. Profit Planning

VII. Profit Distribution of the Firm

1. After confirmation of the annual balance, the profit of the firm is to be distributed in the following manner:
 - a. 10 percent of the profit will be placed in a fund for improvement of the living conditions of workers and employees. This fund will be expended according to decisions of the directorate for improvement of social and living conditions of workers. In addition it will supply means for premiums for workers who are distinguished by systematic production above the norm.
 - b. 5 percent will go to a fund for systematization and research ... The remainder of the profits will be transmitted to the combine.

VIII. Means for the Association

Chairman
signed RAU
Deputy chairman
signed SELEMANN

(Decree of the DWK at its full session of 12 May 1948)

CONFIDENTIAL